

written request to the Committee Office by 5:00 p.m. the day before the meeting. Notice of televised or broadcasted hearings shall be provided to the Ranking Minority Member as soon as practicable.

(b) During public meetings of the Committee, any person using a camera, microphone, or other electronic equipment may not position or use the equipment in a way that interferes with the seating, vision, or hearing of Committee members or staff on the dais, or with the orderly process of the meeting.

#### 7. SUBCOMMITTEES

The Committee shall not have standing subcommittees.

#### 8. AMENDMENT OF RULES

The foregoing rules may be added to, modified or amended; provided, however, that not less than a majority of the entire Membership so determined at a regular meeting with due notice, or at a meeting specifically called for that purpose.

### SMALL BUSINESS AND FARM ENERGY EMERGENCY RELIEF ACT

Ms. CANTWELL. Mr. President, as small businesses in the State of Washington continue to struggle with the extraordinarily high costs of electricity following the Western Energy Crisis of 2000–2001 and significant increases in the costs of other petroleum fuels, I wanted to make a statement in support of the Small Business and Farm Energy Emergency Relief Act of 2005, S. 269, introduced yesterday by the Senator from Massachusetts, Mr. KERRY. This legislation establishes a critically important safety net for small businesses and family farms that suffer direct economic injury due to exorbitant and immediate increases in energy costs, and I am pleased to be an original cosponsor.

During the 107th Congress, I was proud to cosponsor the Small Business and Farm Energy Emergency Relief Act of 2001, which contained many of the same provisions that are included in this legislation.

The Small Business and Farm Energy Emergency Relief Act of 2005 would provide small businesses and farms economic relief in the form of low-interest emergency loans to help mitigate the effects of significant spikes in the prices of heating oil, propane, natural gas, and kerosene. To be eligible, an applicant must be a small-business owner or agriculture producer, must have used all reasonably available funds it may have, and must be unable to obtain credit elsewhere. The U.S. Small Business Administration would provide loans to small-businesses and farms would apply for loans through the U.S. Department of Agriculture.

As my colleagues know, small businesses and farms typically operate on narrow margins. They depend on affordable and stable cost inputs—such as fuel—to maintain their productivity. However, the recent volatility of energy prices has levied a considerable strain on the operating budgets of many American small businesses and family farms and ultimately threat-

ened their sustainability. Without this emergency assistance, the viability of some Washington State small businesses and farms would be compromised during times when energy prices spike. This emergency relief program is vital to protecting small businesses from the considerable economic impact of surging energy costs and we must do all that is possible to help them overcome these challenges.

Mr. President, the Small Business and Farm Energy Emergency Relief Act provides critical assistance for our small businesses and farms through trying economic conditions. Therefore, I urge my colleagues to give it their full support.

### 527 REFORM ACT OF 2005

Mr. FEINGOLD: Mr. President, I am pleased once again to be working with my partner in reform, the Senator from Arizona, Mr. MCCAIN, on the 527 Reform Act. And it is an honor to again have Senator LIEBERMAN and Senator SCHUMER as original cosponsors of our bill. This year, there is a very significant new addition to our effort, the Chairman of the Rules Committee, Senator LOTT. Senators SNOWE and COLLINS from the great State of Maine, who were both exceptional partners in the fight for campaign finance reform a few years ago, are original cosponsors as well. It is also gratifying to have a new Member of the Senate, the junior Senator from Colorado, Mr. SALAZAR, on board. This is a very strong bipartisan group and I look forward to working with all of them.

Our purpose is simple—to pass legislation that will do what the FEC could and should do under current law, but, once again, has failed to do. It sometimes seems like our mission in life is to clean up the mess that the FEC has made. We had to do that with BCRA, the Bipartisan Campaign Reform Act, which passed in 2002, closing the soft money loophole that the FEC created in the late '70s and expanded in the '90s. We are doing it again with the regulations that the FEC put in place after BCRA passed.

I am pleased to announce the introduction of legislation that will make absolutely clear that the Federal election laws apply to 527 organizations. Let me emphasize one thing—current Federal election law requires these groups to register as political committees and stop raising and spending soft money. But the FEC has failed to enforce the law, so we must act in the Congress.

This bill will require all 527s to register as political committees unless they fall into a number of narrow exceptions. The exceptions are basically for groups that Congress exempted from disclosure requirements because they are so small or for groups that are involved exclusively in state election activity.

Once a group registers as a political committee, certain activities such as

ads that mention only Federal candidates will have to be paid for solely with hard money. But the FEC permits Federal political committees to maintain a non-federal account to pay a portion of the expenses of activities that affect both Federal and non-federal elections. Our bill sets new allocation rules that will make sure that these allocable activities are paid for with at least 50 percent hard money.

Finally, the bill makes an important change with respect to the non-federal portion of the allocable activities. We put a limit of \$25,000 per year on the contributions that can be accepted for that non-federal account. So no more million dollar soft money contributions to pay for get-out-the-vote efforts in the presidential campaign.

Nothing in this bill will affect legitimate 501(c) advocacy groups. The bill only applies to groups that claim a tax exemption under section 527.

In closing, I want to make one final point. The soft money loophole was opened by FEC rulings in the late '70s. By the time we started work on BCRA, the problem had mushroomed and led to the scandals we saw in the 1996 campaign. When we passed BCRA, I said we would have to be vigilant to make sure that the FEC enforced the law and that similar loopholes did not develop. That is what we have been doing for the past three years, and what are again doing today.

I have no doubt that if we don't act on this 527 problem now, we will see the problem explode into scandals over the next few election cycles. In the 2004 cycle, Federal-oriented 527s spend \$423 million. Ten donors gave at least \$1 million each to 527s involved in the 2004 Federal elections and two donors each contributed over \$20 million. This time we cannot afford to wait for a problem to grow into a disaster that undermines the scheme of the Federal election laws.

Mr. President, I ask unanimous consent that a summary of the bill's provisions be printed in the RECORD.

#### THE 527 REFORM ACT

Under the Internal Revenue Code, a 527 group is defined as an organization "organized and operated primarily" to influence elections (or the appointment of individuals to non-elective office). The Federal Election Commission ("FEC"), however, has failed to apply existing Federal campaign finance laws to require that 527 groups spending money to influence federal elections register as federal political committees and comply with federal campaign finance laws, including the limits on the contribution they may receive.

As a result, both Democratic-leaning and Republican-leaning 527 groups spent tens of millions of dollars in soft money to influence the 2004 federal elections. A number of 527 groups did not register as federal political committees and spent soft money on ads attacking and promoting federal candidates. Other 527 groups did register as federal political committees but claimed that under FEC rules they could spend as much as 98 percent soft money on partisan voter drive activities for the purpose of influencing the 2004 federal elections.